

## LEND-LEASE: PRINCIPLES APPLYING TO AID TO U.S. ARMED FORCES<sup>1</sup>

*Exchanges of notes at Washington April 17 and 19, 1945  
Entered into force April 19, 1945; operative from June 16, 1942*

59 Stat. 1652; Executive Agreement Series 481

*The Belgian Ambassador to the Secretary of State*

AMBASSADE DE BELGIQUE

WASHINGTON, April 17, 1945

SIR:

In the United Nations declaration of January 1, 1942,<sup>2</sup> the contracting governments pledged themselves to employ their full resources, military and economic, against those nations with which they are at war; and in the Agreement of June 16, 1942,<sup>3</sup> each contracting government undertook to provide the other with such articles, services, facilities or information useful in the prosecution of their common war undertaking as each may be in a position to supply. It is further the understanding of the Government of Belgium that the general principle to be followed in providing mutual aid as set forth in the said Agreement of June 16, 1942, is that the war production and the war resources of both Nations should be used by the armed forces of each and of the other United Nations in ways which most effectively utilize the available materials, manpower, production facilities and shipping space.

With a view, therefore, to supplementing Article II and Article VI of the Agreement of June 16, 1942, between our two Governments for the provision of reciprocal aid, I have the honor to set forth the understanding of the Government of Belgium of the principles and procedures applicable to the provision of aid by the Government of Belgium to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of such forces by the United States Government.

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<sup>1</sup> See also lend-lease settlement agreements of Sept. 24, 1946 (TIAS 2064, *post*, p. 631); May 12, 1949 (TIAS 2070, *post*, p. 708); Apr. 20, 1950 (1 UST 437; TIAS 2074); and Jan. 20 and Apr. 2, 1954 (5 UST 647; TIAS 2953).

<sup>2</sup> EAS 236, *ante*, vol. 3, p. 697.

<sup>3</sup> EAS 254, *ante*, p. 571.

1. The Government of Belgium, retaining the right of final decision in each case in the light of its own potentialities and responsibilities, will provide the United States or its armed forces with the following types of assistance as reciprocal aid when and to the extent that it is found that they can most effectively be procured in Belgium or the Belgian Congo:

- (a) Military equipment, munitions and military and naval stores;
- (b) Other supplies, materials, facilities, services and information for the United States forces including payment of those civil claims against the United States and its armed forces, employees and officers that shall be mutually agreed upon by the two Governments as a proper charge against the Belgian Government, but not including the pay and allowances of United [States] forces, the wages and salaries of civilian officials of the United States Government and the administrative expenses of United States missions;
- (c) Supplies, materials and services needed in the construction of military projects, tasks and similar capital works required for the common war effort in Belgium or the Belgian Congo, except for the wages and salaries of United States citizens;
- (d) Supplies, materials and services needed in the construction of such military projects, tasks and capital works in territory other than Belgium or the Belgian Congo or territory of the United States to the extent that Belgium or the Belgian Congo is a more practicable source of supply than the United States or another of the United Nations;
- (e) Such other supplies, materials, facilities, services and information as may be agreed upon as necessary in the prosecution of the war.

2. The practical application of the principles formulated in this note, including the procedure by which requests for aid are made and acted upon, shall be worked out as occasion may require by agreement between the two governments, acting when possible through their appropriate military or civilian administrative authorities. Requests by the United States Government for such aid will be presented by duly authorized authorities of the United States to official agencies of the Belgian Government which will be designated or established by the Government of Belgium for the purpose of facilitating the provision of reciprocal aid.

3. It is the understanding of the Government of Belgium that all such aid, as well as other aid, including information received under Article VI of the Agreement of June 16, 1942, accepted by the President of the United States or his authorized representatives from the Government of Belgium will be received as a benefit to the United States under the Act of March 11, 1941.<sup>4</sup> Insofar as circumstances will permit, appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each Government.

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<sup>4</sup> 55 Stat. 31.

4. In order to facilitate the procurement in Belgian metropolitan territory of supplies, materials, facilities, information and services described in Section 1, by permitting their direct purchase rather than their procurement by the method contemplated in Section 2, during the period of military operations and until such time as the official agencies of the Belgian Government are able to provide such reciprocal aid in the manner contemplated in Section 2, the Government of Belgium agreed to make available to designated officers of the United States Government such Belgian franc currency or credits as may be needed for the purpose. The necessary arrangements will be made by the appropriate authorities of the two governments.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two governments in this matter and as superseding the exchange of notes of January 30, 1943<sup>5</sup> on his subject, and that for clarity and convenience of administration the present note and your reply be made retroactive to June 16, 1942, the date of the Agreement of the two Governments on the principles of mutual aid.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

SILVERCRUYS  
*Belgian Ambassador*

The Honorable EDWARD R. STETTINIUS, Jr.  
*Secretary of State*  
*Washington, D.C.*

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*The Secretary of State to the Belgian Ambassador*

DEPARTMENT OF STATE  
WASHINGTON  
*April 17, 1945*

EXCELLENCY:

I have the honor to acknowledge the receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of Belgium to the United States of America or its forces.

In reply I wish to inform you that the Government of the United States agrees with the understanding of the Government of Belgium as expressed in that note. It is also agreed that the exchange of notes of January 30, 1943 on this subject is hereby superseded by your present note and this reply, both of which in accordance with the suggestion contained in your present note,

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<sup>5</sup> EAS 313, *ante*, p. 582.

will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept, Excellency, the renewed assurances of my highest consideration.

E. R. STETTINIUS, Jr.  
*Secretary of State*

His Excellency  
Baron ROBERT SILVERCRUYS  
*Belgian Ambassador*

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*The Secretary of State to the Belgian Ambassador*

DEPARTMENT OF STATE  
WASHINGTON  
April 17, 1945

MY DEAR MR. AMBASSADOR:

You will recall that on January 30, 1943 Dean Acheson, Assistant Secretary of State, addressed a letter to the Belgian Ambassador<sup>6</sup> with respect to the receipt by this Government as reciprocal aid of articles previously purchased abroad and imported into Belgian territory. In that letter Mr. Acheson stated that this Government does not expect the Belgian Government or the authorities in the Belgian Congo to furnish such articles to American forces as reciprocal aid and that, if such articles were furnished as reciprocal aid in emergency situations, this Government would be entirely agreeable to the principle that they should be replaced from the United States as soon as possible. Mr. Acheson further stated that American forces would not request or accept as reciprocal aid any such articles, the replacement of which was regarded by the Belgian Government as desirable, with specific authorization in each case from the War Department.

The exigencies of war have made strict compliance with this procedure impractical, and your Government has furnished such articles to this Government and its armed forces without compliance with this procedure. The quantity and value of the articles so furnished are not yet known and it is anticipated that considerable time may be required before mutual agreement can be reached as to the exact value of the articles to be replaced under the terms of Mr. Acheson's letter.

At the time of Mr. Acheson's letter no non-military supplies were being provided by my Government to your Government as straight lend-lease. Now, however, our two Governments have concluded an agreement under Section 3 (c) of the Lend-Lease Act, under which this Government will

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<sup>6</sup> Not printed.

furnish non-military supplies as straight lend-lease aid to your Government to the extent provided therein.

I should therefore like to propose that the obligation in Mr. Acheson's letter to replace articles provided as reciprocal aid which have previously been purchased abroad and imported into Belgian territory should not apply to articles hereafter made available to this Government as reciprocal aid.

With respect to such articles transferred as reciprocal aid by the Government of Belgium to the United States or its armed forces prior to the date of the signing of the Agreement under Section 3 (c) of the Lend-Lease Act, I should like to propose that final action with respect to replacement be deferred until the final determination of the terms and conditions upon which mutual aid has been provided and received by the two Governments in accordance with the terms of the Agreement of June 16, 1942 with respect to the principles applying to mutual aid. At the time such a final determination is reached, and the full extent of the aid furnished by the United States and the reciprocal aid furnished by the Government of Belgium becomes known, the United States will make such replacement in accordance with the principles expressed in Mr. Acheson's letter to any extent then mutually agreed upon between the two Governments as just and equitable.

Sincerely yours,

E. R. STETTINIUS, Jr.

His Excellency

Baron ROBERT SILVERCRUYS

*Belgian Ambassador*

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*The Belgian Ambassador to the Secretary of State*

AMBASSADE DE BELGIQUE

D. 8492/9  
No. 2368

WASHINGTON, *April 19, 1945*

MY DEAR MR. SECRETARY:

I have the honor to acknowledge the receipt of your letter dated April 17th, 1945, forwarding certain proposals made with reference to the commitments taken by the United States Government and embodied in Mr. Dean Acheson's letter of January 30th, 1943.

As you will recall, at that time the Belgian Congo was the only territory under Belgian jurisdiction where reciprocal aid could be made effective. The terms of Mr. Acheson's letter refer accurately to the situation prevailing in the Belgian Colony, where almost every manufactured article was purchased abroad and imported with considerable difficulty. It was not considered desirable that American forces should procure such articles without a reasonable assurance being given that they would be replaced.

Quite different is the situation in the highly industrialized Belgian metropolitan territory, which is largely dependent on imports of raw materials and

where procurement from the almost depleted stocks of locally produced goods would generally necessitate their replacement by importation of the raw materials needed in their manufacture.

In order to deal with this possibility, which in our view amounts to the extension of aid not within the scope of the Reciprocal Aid Agreement between Belgium and the United States, negotiations were undertaken in Washington between the Department of State and the Belgian Embassy. On October 16th, 1944 a draft amendment to the letter of the Belgian Ambassador dated January 30th, 1943 was submitted by the Department of State to the Belgian Embassy. Paragraph III, which was tentatively agreed upon at that time, expressed in the following terms the intentions of the two interested parties concerning the special situation likely to arise in Belgium.

"In view of the shortages prevailing in Belgium, the Government of Belgium regrets that it will not be in a position to provide as reciprocal aid under Section 1 any supplies or materials (except for component parts or component materials) which require current replacement by purchases involving the use of foreign exchange from sources outside of Belgium or the Belgian Congo. The Government of Belgium, therefore, requests assurances that the Government of the United States will undertake at its option either to replace or to refund in dollars the cost of any such supplies or materials which have been either requisitioned in the manner contemplated in Section 2, or purchased with the currency made available under the terms of Section 4, wherever the quantity involved is appreciable from the point of view of the dollar exchange required for replacements."

Although no formal agreement was ever concluded on this subject, the Belgian authorities in charge of Reverse Lend-Lease Administration operated on the assumption that such was the understanding and furnished to the Allied Armies supplies, the replacement of which would call for imports from abroad.

While accepting your proposal that final action with respect to replacement be deferred, I wish to place the foregoing on record and to state that the Belgian Government may request that consideration be given to the matters mentioned above, in the final determination of the terms and conditions upon which mutual aid has been provided.

Sincerely yours,

*The Belgian Ambassador*  
SILVERCRUYS

The Honorable E. STETTINIUS  
*Secretary of State*  
Washington, D.C.